

**SENATE BILL No. 235**

By Committee on Assessment and Taxation

3-13

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1 AN ACT concerning property taxation; relating to exemptions; certain new  
2 automobile manufacturing property.

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4 *Be it enacted by the Legislature of the State of Kansas:*

5 Section 1. (a) The following described property, to the extent herein  
6 specified, shall be exempt from all property taxes levied under the laws of  
7 Kansas:

8 Any new automobile manufacturing property.

9 (b) The provisions of subsection (a) shall apply from and after the  
10 later of the purchase or commencement of construction of such property  
11 and continue thereafter until 10 taxable years following the taxable year in  
12 which construction of such property is completed.

13 (c) The provisions of this section shall apply to all taxable years  
14 beginning after December 31, 2011.

15 (d) The owner of any new automobile manufacturing property shall  
16 pay in lieu of taxes in an amount mutually agreed to by the governing  
17 body of the appropriate taxing subdivisions and the owners as long as this  
18 exemption is in effect. The in lieu of taxes shall be paid at the same time  
19 taxes are required to be paid pursuant to K.S.A. 79-2004 and 79-2004a,  
20 and amendments thereto. The county treasurer shall apportion such in lieu  
21 of tax payments among the taxing subdivisions of this state in the territory  
22 in which the facility is located. Any payment in lieu of taxes shall be  
23 divided by the county treasurer among such taxing subdivisions in the  
24 same proportion that the amount of the total mill levy of each individual  
25 taxing subdivision bears to the aggregate of such levies of all the taxing  
26 subdivisions among which the division is to be made. The county treasurer  
27 shall pay such amounts to the taxing subdivisions at the same time or times  
28 as their regular operating tax rate mill levy is paid to them. Based upon the  
29 assessed valuation which such facility would have if it were upon the tax  
30 rolls of the county, the county clerk shall compute the total of the property  
31 taxes which would be levied upon such facility by all taxing subdivisions  
32 within which the facility is located if such property were taxable.

33 (e) As used in this section:

34 (1) "Appropriate taxing subdivisions" means the county, city or  
35 unified government jurisdiction in which the new automobile property is  
36 located; and

1 (2) "new automobile manufacturing property" means any real  
2 property purchased or constructed after December 31, 2011, owned by a  
3 business with an NAICS code of 336111, provided such property:

4 (A) Includes a building or addition to a building constructed after  
5 December 31, 2011, having not less than 50,000 square feet of floorspace;  
6 and

7 (B) was purchased or constructed after December 31, 2011, for a total  
8 cost of not less than \$10,000,000 including the cost of both the land and  
9 buildings.

10 Sec. 2. This act shall take effect and be in force from and after its  
11 publication in the statute book.